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State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director
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Division Director

Inspection Report
Minerals Regulatory Program
December 21, 2005

Supervisor DRZ

Mine Name: Barneys Canyon
Operator Name: Kennecott Barneys Canyon Mining
8200 South 9600 West
P.O. Box 311
Bingham Canyon, Utah 84006

Permit number: M/035/009
Inspection Date: December 20, 2005
Time: 9:00 AM

Inspector(s): Doug Jensen, Tom Munson

Other Participants: Vickie Peacey, Ray Gottling, Phil LeHoux

Mine Status: Inactive

Weather: Cool, Sunny

Elements of Inspection	Evaluated	Comment	Enforcement
1. Permits, Revisions, Transfer, Bonds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Public Safety (shafts, adits, trash, signs, highwalls)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Protection of Drainages / Erosion Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Deleterious Material	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Roads (maintenance, surfacing, dust control, safety)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Concurrent Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Backfilling/Grading (trenches, pits, roads, highwalls, shafts, drill holes)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Water Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Soils	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Air Quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Purpose of Inspection:

To discuss closure issues concerning the heaps.

Inspection Summary:

The group met at the Barneys Canyon office to discuss heap closure. Mr. Gottling indicated that Kennecott was still actively leaching the heaps and closure will not take place for some time. The amount of gold being removed from the heaps will dictate when heap closure will begin. As long as the extraction effort remains profitable, reworking the heaps will continue.

Kennecott is considering many different closure options regarding the heaps. But until costs dictate closure, no decision will be made. Mr. Gottling indicated that at the present time the heaps would be closed following the parameters contained in the approved plan.

Mr. Gottling took the group on a tour of the heaps to familiarize Tom and myself with the logistics associated with closure. We were shown an aerial of the site and we discussed how the configuration of the heaps complicates the closure.

7. Backfilling/Grading (trenches, pits, roads, highwalls, shafts, drill holes) During the tour we viewed the regrading efforts on the heaps. Kennecott has begun regrading portions of the heaps to facilitate the placement of emitter lines (used to apply the leach solutions). All of the five heaps at the site have been the focus of this regrading effort, although none have been regraded to the final slope angle.

After the tour of the heaps, we left the site.

Inspection Date: December 20, 2005; Report Date: December 21, 2005
Page 2 of 2
M/035/009

Conclusions and Recommendations:

The Division will continue monitoring the site when in the area.

Inspector's Signature  Date: 12/21/05

dj

cc: Ray Gottling, Barneys Canyon Mine
Vicky Peacey, Kennecott Environmental